# Weekly Bank Statement Offered a Warning.

## STIFF MONEY MARKET

THERE WAS A GENERAL DOWN-WARD TENDENCY IN STOCKS.

Group of Industrial Specialties Among Railway Equipments Notable Exceptions-High Rate for Loans.

NEW YORK, October 7 .- The weekly bank statement offered a warning of the small reliance to be placed on yesterday's late decline in the call money rate as a reflection of the situation of the money market. Speculative sentiment was brought to the conclusion that a stiff money market was likely to continue for the immediate future, and there was selling of stocks in consequence.

A group of industrial specialties, mostly among the railroad equipment stocks, with American Locomotive a conspicuous leader, were notable exceptions to the general downward tendency. The movement in these was of professional origin quite largely, but had as a substantial basis the extraordinary need of the railroads throughout the country for large increases in facilities to accommodate the flood of traffic which is coming upon them.

The strength of this handful of stocks, however, was of little effect in sustaining the general market, and the closing was easy at net declines, running to a point or over for many of the prominent active stocks. The decrease in cash shown by the bank statement ran to \$8,454,700, thus considerably exceeding the largest of the pre-liminary estimates based on the known

movements of money.

This showing is regarded as a rectification in part of the unexplained increase in cash reported last week, though the full amount of the discrepancy is by no means accounted for. The showing strengthens the supposition that gold engagements have been figuring in bank reserves as soon as made without waiting for their actual recelpt. The effort of the decline in cash on the surplus was modified by the scaling down of the deposits through a contraction of \$11,889,400 in outstanding loans.

### Inroad Upon Surplus Limited.

The inroad upon the surplus was thus limited to \$3,153,850, bringing that item down to \$4,288,175. The loan contraction is believed to be due largely to the taking over of loans from the banks by out-oftown institutions, which have drawn on their New York deposits for that purpose during the week. Another withdrawal of \$2,000,000 from the Bank of England for shipment to Egypt showed the drain upon the depleted reserve of that institution unrelieved and pointed to the maintenance of money rates in foreign markets. Total sales of bonds, par value, \$1,750,000.

The continued high rates for money this week have suppressed any great speculative activity in stocks. Early in the week the money market gave indications of relaxation from the strain of the special causes which have made heavy demand upon banking resources, and the market showed evidence of positive strength. When money rates tightened again active at-tempts to advance prices were desisted from, and a dull resistance to depression took the place of advances.

course of money rates has been upward, and the conviction has grown that no immediate return of ease of money is to be looked for. Bankers express the opinion that firm money rates may be looked for in the future for a number of months, and pronounce such a condition wholly normal and due to easily understood causes. Operators in stocks are discouraged from undertaking speculative campaigns for an

keeps alive the hope of ultimately higher prices and makes holders of stocks exceedingly unwilling to part with their holdings.
Attention has been almost exclusively centered on the money situation, and some of the developments of the week have awakened discussion taking on the propor-tions of controversy. Last week's bank statement furnished the text for much of the discussion, owing to the incongruity of Union Pacific pfd.
United States Express
United States Realty
United States Rubber 53
United States Rubber pfd. 11134
United States Rubber pfd. 1144
United States Steel 384
United States Steel 104
United States Steel 104
United States Steel pfd. 1044
Uriginia Carolina Chemical 104
Uriginia Carolina Chemical pfd. 107
Wahash 227
Wahash pfd. 43 its showing with the known facts of the By reporting an increase in cash on hand and a reduction in the loan ac-count, with resulting benefit to the margin of the surplus reserve, the banks were at direct variance with the known movements

## Criticism of Bank Statement.

note of warning of the menace of danger in the freedom of the trust companies from any cash reserve requirement in connection with the heavy loan operations by these institutions. The protest of the banks has its motive of self-interest, which is easily explicable.

The 2 per cent allowed by banks on trust company deposits gives the banks the use of these funds only while interest rates are ow, but when profitable rates are ruling, as at present, the trust companies draw on the banks to place loans on their own account to practically the full amount of their resources. It is the general supposition that the heavy loan contraction by the banks during the last few weeks has been

## No Evidence of Real Liquidation.

serves during that period.

house banks and figures in their reserve, which therefore constitutes almost the only reserve against both bank and trust company deposits. The New York State Trust mpany, as a whole, reported to the sucompany, as a whole, reported to the su-perintendent of banking on September 5 deposits subject to witherawal on demand of \$843,564.143, the item of loans on col-lateral at that date standing at \$775,839.401. subject to demand. They had on deposit with banks other cash resources of \$159,-549,805, which, of course, did double duty as reserve. The large loans placed in the stock market since that cate by the trust companies would modify materially the loan item in this statement.

bank statement will reveal how large a part of the total banking resources of inis center is represented by these figures.

Last year most of the trust companies withdrew from clearing house privileges rather than submit to a requirement to maintain 10 per cent as a minimum ct cash reserves against deposits, to be increased to 15 per cent, in the discretion of the clearing house committee.

grown up on account of the existing excellent state of credit, and the quick convertibility of the large portion of it placed experience proves that this security does not extend to borrowers who employ funds to hold securities on margin. The purpose avowed by the president of the Imperial Bank of Germany in advancing the discount rate to put a brake on speculation on the bourse was not without effect on sentiment in New York.

The progress of the legislative investiga-tion of life insurance methods is of some sentimental influence in the stock market. Disclosures of the arrogation of discretion to decide questions of propriety and of compliance with the letter of law on the part of men powerful and influential in the financial world had its part in the scepticism felt toward last week's bank statement.

The dominance of the money situation has kept stock market operations and movements within a narrow range, and has kept other considerations in the background. Bonds were well sustained on a small

United States new 4's declined 1/4, the 2's coupon 1/2, the 3's registered 1/4, and the old 4's coupon 1 per cent on call on the week.

## New York Closing Stock List.

		High.	Low.	
	Adams Express	9814	84%	2
	American Car-& Foundry	3914	3714	
	American Car & Foundry pfd		01.78	1
	American Cotton Oil	32	32	
	American Cotton Oil,			
	American Express.  American Hide & Leather pfd.  American Ice Scentities.  American Linseed Oll.			2
	American Hide & Leather pfd			
	American Ice Scenrities	271/4	271/2	
	American Linseed Oil	19	19	- 3
	American lanseed on pid	P (10)	5614	1
	American Locomotive nfd	115	1131/2	1
	American Smelting & Refining	129%	12914	1
	American Locomotive and	122	121%	1
	American Sugar Refining	142	1411/4	1.
	American Tobacco pfd. certif	102%	10214	10
	Anaconda Mining Co	118	11734	1
	Attitison	8914	89	
	Atchison pfd	*****		16
	Paltimore & Ohto	113%	11236	11
	Baltimore & Ohio. Baltimore & Ohio pfd. Brooklyn Rapid Transit. Canadian Pacific	11078	11278	
1	Brooklyn Rapid Transit	71%	7114	17
1	Canadian Pacific	17134	170%	17
1	Central Leather	45	45	4
1	Central Leather Central Leather pfd Central of New Jersey Chesapeake & Ohio	1041/4	1041/4	16
١	Central of New Jersey			21
Ì	Chesapeake & Ohio	5714	56%	- 5
	Chicago & Alton	3634	361/8	1
١	Chicago & Allon piu	70%	7914	
1	Chleage & Northwestern		219	21
Ì	Chleago Milwankse & St Paul	18114	219 1801/2	18
1	Chicago Terminal & Trant		200 /2	1
١	Chicago & Northwestern Chicago, Milwaukee & St. Paul, Chicago Terminal & Trant Chicago Terminal & Trans. pfd.			2
ı	C. C. C. & St. Louis			1
ł	Colorado Fuel & Iron	4814	46%	4
1	Colorado & Southern	28%	281/2	-
١	Colorado & Southern Colorado & Southern 1st pfd Colorado & Southern 2d pfd	4000	43	
I	Consolidated Gas	43% 185%	18514	18
1	Corn. Products	1234	1234	1
١	Corn Products nfd			
1	Delaware & Hudson Delaware, Lackawanna & West, Denver & Rio Grande Denver & Rio Grande pfd Distillers' Securities			21
	Delaware, Lackawanna & West.			46
ì	Denver & Rio Grande	34%	34%	12
1	Denver & Rio Grande pfd	881/2	8814	8
١	Distillers' Securities	441/4	441/4	4
ì	Erie 1st pfd.	41778	49	
ł	Erie 24 nfd	81 73	7214	- 8
١	Erie 2d pfd	1801/2	18014	17
ı	Hocking Valley	10079	10072	1
1	Hocking Valley	18114	18016	18
J	International Paper	22%	221/2	1
ł	International Paper pfd	801/2	80	. 8
i	International Pump			2
J	International Paper International Paper pfd International Pump International Pump International Pump pfd	*****	****	1
ı	Iowa Central	281/2	251/2	2
ı	lowa Central pfd.  Kansas City Southern.  Kansas City Southern pfd.  Louisville & Nashville.	34	57	-
J	Kansas City Southern nf4	261/4	261/4	2
ı	Louisville & Nashville	154	15314	15
١	Manhattan L.			16
I	Metropolitan Securities	81%	8014	8
J	Manhattan L	12614	25%	12
1	Mexican Central	25%	25 74	2
ı	Mexican Central	74		7
1	Minn St P & Sault Sto M	14014	14014	14

politan Street Railway. 1264/cean Central. 25%
cean city St. Louis. 74
. St. P. & Sault Ste. M. 1401/c.
. St. P. & S. Ste. M. pfd. 164
. uri Pacific. 105
. uri, Kansas & Texas . 331/cmrl, Kansas & Texas pfd. 681/cmrl, Kansas & Texas pfd. 681/cmrl, Lead. 48
. mai Lead. 48

Rock Island Co. . . . . . Rock Island Co. pfd.

Union Pacific pfd.

Westinghouse Electric. Western Union. Wheeling & Lake Erie.

3s, registered..... 3s, conpon..... new 4s, registered.

re & Ohio 316s.

Rubber Goods, Rubber Goods ofd. Slors Sheffield Steel. St. Louis & San Fran. 2d pfd...

St. Louis Southwestern St. Louis Southwestern pfd... Southern Pacific Southern Pacific pfd....

Southern Pacific Southern Pacific Southern Railway Southern Railway of Tennessee Coal & Iron Texas & Pacific Toledo, St. Louis & Western Toledo, St. Louis & West, pfd. Union Pacific

36%

931/2

New York Bonds.

refunding 2s, registered.....refunding 2s, coupon.....

U. S. new 4s, registered.
U. S. new 4s, coupon.
U. S. old 4s, registered.
U. S. old 4s, coupon.
American Tobacco 4s, certificates.
American Tobacco 6s, certificates.
Atchlson general 4s.
Atchlson adjustment 4s.
Atlantic Coast Line 4s.
Baltimore & Ohio 4s.
Baltimore & Ohio 4s.

Baitimore & Ohio 3468.
Central of Georgia 58.
Central of Georgia 18t Inc.
Central of Georgia 18t Inc.
Central of Georgia 18t Inc.
Chesapeake & Ohio 4468.
Chicago & Alton 3468.
Chicago Burlineton & Quincy new 48.
Chicago Bock Island & Pacific R. R. 48.
Chicago Rock Island & Pacific R. R. col. 58.
C. C. C. & St. Louis general 48.
Colorado Ind. 58. ser. A.
Colorado Ind. 58. ser. B.
Colorado Midiand 48.
Celorado & Southern 48.
Cuba 58. certificates
Denver & Rio Grande 48.
Distillers' Securities 58.

Japan 6s. 2d series.

Japan 44ss. certificates
Japan 4s. Series.
Japan 6s. 2d series
Louisville & Nashville unified 4s
Manhattan consol gold 4s
Mexican Central 4s
Mexican Central 1st inc.
Minneapolis & St. Louis 4s.
Missouri, Kansas & Texas 4s
Missouri, Kansas & Texas 4s
National R. R. of Mexico consol 4s
New York Central general 34s.
New York Central general 35s.
Northern Pacific 4s
Northern Pacific 4s
Northern Pacific 3s
Norfolk & Western consol 4s.

olk & Western consol 4s.... on Short Line refunding 4s.

eading general 4s
Louis & Iron Mountain consol 5s.
t Louis & San Francisco funding 4s
t Louis & San Francisco funding 4s
t Louis Southwestern consol 4s
eaboard Air Line 4s
outhern Pacific 1st 4s, certificates
outhern Pacific 4s
outhern Railway 5s
exas & Pacific 1sts
oledo, St. Louis & Western 4s
nion Pacific 4s
nion Pacific convertible 4s
S Steel 2d 5s
Tabash 1sts

NEW YORK BANKS.

vivania convertible 314s

22¼ 42

National Lead..... National R. R. of Mexico pfd.. New York Central. New York, Ontario & Western. Norfolk & Western. Pennsylvania
People's Gas.
Pittsburg. C., C. & St. Louis.
Pressed Steel Car
Pressed Steel Car pfd.
Pullman Palace Car.
Reading.

Foreign Rates Also Affected. Not only here, but in foreign markets the

advance in face of this outlook. At the same time the high degree of prosperity

of money for the week and with the heavy loan operations known to have been con-

#### Wisconsin Central .... Wisconsin Central pfd Total sales for the day, 342,100 shares,

The criticism of the bank statement cylminated at the annual meeting of the clearing house on Wednesday, when the president of a leading bank denounced the bank statement as a farce in purporting to offer any reliable index of the actual financial

In the same connection was sounded a

taken over almost entirely by the trust

Certainly there has been no evidence of real liquidation in the securities markets. The consequence would be that no real reduction of deposit liabilities has occurred to keep pace with the drain on bank re-All but a small percentage of trust com-

pany cash is on acposit with the clearing-

The cash in their vaults was then re-ported at less than \$20,000,000, which was less than 3.5 per cent of apposit liabilities subject to demand. They had on deposit

Comparison with the items of this week's

NEW YORK, October 7.-The Financier Great Loan Expansion. says this week: "The official statement of the New York The present great loan expansion has associated banks last week showed a decrease in cash more closely corresponding, than in the previous week, with the estimates which were based upon the tracein call loans leaves the tenders undisturbed able movements of money; the loans par-

expected from the daily calls after the mid-dle of the week, and the decrease in de-posits and, consequently, in reserve re-quirements were sufficient to limit the re-duction in surplus reserve to an amount which left a fair working balance for the

banks.

"The cash loss was \$8,454,700, or about \$1,000,000 greater than the estimated sum, and this loss doubtless largely resulted from the interior bank movement, though the absorption of money by the treasury from the banks, due to receipts in excess of payments, was a contributory factor. The deposits decreased \$21,208,400, which was \$859,300 greater than the sum of the contraction in loans plus the loss of easier. contraction in loans plus the loss of casa, hence the statement was somewhat out of

proof.
"It is noteworthy that the average loans were \$479,200 in excess of the average of deposits, indicating that the banks are unusually expanded. The reserve requirements were reduced \$5,300,850 through the decrease in general deposits; deducting which item from the loss of cash leaves \$3,153,850 as the reduction in surplus reserve to \$4,286,165, computed upon the basis of deposits, less those of \$8,419,500, the surplus is \$6,391,050.

"Loans were contracted \$11,880,400, making \$36,432,800 since August 5; in this interval cash has been reduced by \$42,998,150 and deposits by \$140,483,200. The daily average of bank clearings during the week was \$341,000,000, against \$267,000,000 in the previous week. Clearings on Saturday, reflecting Friday's business, were \$306,895,-

"Comparisons show that six banks de creased loans \$13,750,000, one institution contributing \$8,000,000 to this decrease. Five banks lost seven and one-third millions net cash and one of these five showed a

decrease of eleven millions."

The demand for the country and South America is likely to be fairly large in time, and should the arrivals from South Africa and Australia be taken by the United States in the same way as recently there is small doubt that the bank rate will be raised again soon. The hope that French exchange would improve sufficiently to di-vert the demand for gold from London to Paris has not been realized.

		• 600 5	
1000	Washington Stock Excl	ange	
V	RAILROAD BONDS.		7
	Control Providen to		Asked
	Capital Traction 4s	10514	1061/
2	Metropolitan 5s. Metropolitan cert. indebt., A Metropolitan cert. indebt., B	100	*****
	Metropolitan cert. Indebt., B	10314	
	Columbia 6s. Columbia 5s. City and Suburban 5s. Anacostia and Potomac 5s.	1151/2	
2	City and Suburban 5s	105	*****
	Anacostia and Potomac 5s	1041/4	91%
1	Washington Rwy, and Elec. 4s MISCELLANEOUS BONI	911/8	91%
ă	Washington Gas 6s series A	10414	1041
			1041
	Washington Gas cert	1201/	122
	Washington Gas 6s, series B  Washington Gas cert.  U. S. Elec. Lt. deb. imp. 6s.  U. S. Elec. Lt. cert. ind. 6s.  Chesaneske and Potomac Tel. 5s.  Washington Market 1st 6s.  Potomac Elec. Lt. 5d.  Nor. and Wash. Steamboat 5s.  Bristol Gas and Elec. 5s.  SAFE DEPOSIT AND TRUST  National Safe Deposit and Trust.	101	102
뢿	Chesaneske and Potomac Tel. 5s	1061/4	1064
1	Washington Market 1st 6s	107	1074
ì	Nor. and Wash. Steamboat 5s	110	111
	Bristol Gas and Elec. 5s	93	
	SAFE DEPOSIT AND TRUST	STOCE	S.
	National Safe Deposit and Trust	190	100
	American Security and Trust	•275	218
	National Sare Deposit and Trust.  Washington Loan and Trust.  American Security and Trust.  Washington Safe Deposit.  Union Trust.  Washington Savings Bank.	70	
	Union Trust	109	145
1	Home Savings Bank.	200	115
B	Home Savings Bank	275	290
	RAILROAD STOCKS.		
	Capital Traction. Washington Rwy, and Elec. pfd Washington Rwy, and Elec. com Bristol G is and Elec.	9214	1461/
4	Washington Rwy, and Elec. com	4314	92%
Ď,	Bristol G is and Elec	25	*****
	NATIONAL BANK STOCK	KS.	***
	Bank of Washington	353	510 875
	Central. Farmers and Mecuanics'	320	375
	Firmers and Mecuanics'	340	
	Second	160 180	200
200	Columbia	235	200
	Capital	180	
	AmericanTraders'	180	1811/4
	Lincoln	128	
1	Riggs	*650	700
	Firemen's	25	97
	Franklin	48	27
•	Metropolitan	84	
	Potomac	78 28	31
	Arlington	29	31
	Arlington. German American National Union	210	
ğ	Columbia	736 10%	11
	Riggs	8	81/
	People's	614	614
ĕ	Colonial	100	115
	TITLE INSURANCE STOC		110
i	Real Estate Title	75	90
	Columbia Title	3%	44
	TELEPHONE AND GRAPHOPHON	B em	
Į.	Chesapeake and Potomac	44	
9	American Graphophone com American Graphophone pfd	91/8	51/
	American Graphophone pfd	91/8	9%
	Washington Gas STOCKS.	611/	018
	Washington Gas Georgetown Gas	611/4	61%
1	TYPE MACHINE STOCK	8.	
S,	Mergenthaler Linotype	1951/4	195%
	Lanston Monotype	15%	15%
	MISCELLANEOUS STOCK	261/8	261/
1	Greene Con. Copper	16	20%
	Nor. and Wash. Steamboat	*300	****
Į.	Realty Appraisal Agency	201/2	****
		13	
		47.5	

## SECURITIES DECLINED.

#### Stocks Felt Influences of Money Stringency and Uncertainty.

LONDON, October 7.-The stock exchange during the week was under the influence of the money stringency and uncertainty, which pretty effectually dampened the ardor of most of the speculative operators. Consols were offered freely, due partly to the stiff continental rate, and led the decline of first-class securities. Preparations for the new Russian loan in France induced selling orders from that quarter except for good yielding foreign securities, which continued well absorbed by Paris and do not show much loss for the week. Home rails were maintained active by good traffic re-

Americans were governed almost entirely by Wall street, as the operators here followed the lead of New York. The daily prices rarely were far from parity. The idea prevailed that the quotations were somewhat top heavy, and that it was only safe to operate on the bear side of the market. Compared with last week values were only fractionally lower except Ca-nadian Pacific, which went down three

The money situation is very interesting. Supplies are meager and with practically all countries wanting gold and the provinces requiring supplies the prospects of relief in the near future is rather poor despite the fact that French houses are discounting bills freely in an endeavor to assist the market, and that Japanese money is being deposited in the Bank of England for the same purpose. Besides the country requirements and shipments abroad the depletion of the gold reserve was partially caused by the Indian government's shipments to the Bank of England being stop-ped at Egypt for use there, and corresponding quantities being taken from the bank's reserve and remarketed for them.

## Heard on 'Change

building that is to be the new home of the Metropolitan Citizens' Bank was begun during the week. - As soon as the bids for the erection of the superstructure, which are to be ready the latter part of the month, have been opened and an award made, active building operations will be begun. As the building is estimated to cost about \$400,000, exclusive of the ground and the interior fittings, it will be appreciated that another handsome banking establishment is to be added to the number

which adorn this city. The members of the national body of bankers when they meet here next week will find that this city is well supplied not only with handsome banking houses, but that they have the facilities for doing business in an up-to-date fashion. While the banking resources are not as great as is the case with some of the places where the annual gatherings have been held, still

centers in this country.

Buildings have been erected of a type and cost that would seem incredible to those familiar with conditions here even a decade ago. The prosperity which is thus indicated is only another evidence of the growth and development of the business inrests of the city. The ease with which large blocks of stock

that recently came on the market were taken up is looked upon not only as a good indication of the strength of those particular securities, but also as showing how the local market for stocks is broadening.

Several thousand shares of at least two of the most active stocks were sold, and the effect on the market prices. the effect on the market prices was com-paratively slight, not causing a recession in either case of much more than two points. This was followed by a rapid recovery, which began as soon as the sell-The character of the market and the change in it which is thus noted is the keeping with the increased volume of business.

There is more done in done day, that is, ordinarily, than used to be the case in a whole week, and the farther back to the early days the search is made the greater becomes the difference between the present period and the times when very little was done from one day to another.

There is good reason for the changes thus outlined. There is a good deal of money available for use, and local securities, which are mainly dealt in on the board, have bet-ter values than was formerly the case.

In the space allotted to the public in the rooms of the exchange an entire new set of chairs have been placed and the old ones that have fully earned an honorable retirement to the ash hear have been removed. The new resting places for those who come to look on at the daily conduct of the local bulls and bears are comfortable, guite as much so as the more expensive seats which

the members occupy.

The new ones did not cost more than a few dollars each, while according to the records of the exchange, which are kept by the secretary, Mr. Hume, and which, therefore, must be correct, the last price paid for one of these seats was \$10,000,

## CHICAGU GRAIN TRADE

#### SENTIMENT IN WHEAT PIT WAS INCLINED TO BEARISHNESS.

CHICAGO, October 7 .- Sunny skies northwest and absence of export demand let the wheat market ease off today. At the close the December delivery was down 1/2 to 1/4. Corn, oats and provisions are almost unal-

Sentiment in the wheat pit was inclined to bearishness throughout the session. At announcements from the same sources of the opening the December option was off the probability of additional heavy import % to %a% at 84%a84% to 85. One of the shipments in the near future. factors mainly responsible was failure of the market at Liverpool to respond to an advance here yesterday. The reason for the comparative weakness at Liverpool, it was said, was a quite general belief in the likelihood of a much heavier movement of wheat from Russia within the next few

Another factor in the initial depression here was ideal weather for the movement of the new crop in the northwest. From the start many small holders were eager to dispose of their lines. Commission houses also had selling orders. Before the end may not be the case, especially with such of the first half hour December had sold off to 84% a84%. Lack of any definite news regarding export business had considerable effect on trading. As a result of moderate demand from a leading bull the loss was later practically regained, December, at one time, selling at 85%.

During the last hour prices fluctuated

within a narrow range. The market closed steady, with December off 1/2a1/4. Clearances of wheat and our were equal to 80,500 bushels. Primary receipts were 2,232,000 bushels, compared with a holiday a year ago. Minneapolis, Duluth and Chicago reported receipts of 830 cars, against 1,135 cars last week.

## In the Corn Pit.

A steady tone prevailed in the corn pit. The volume of trading was very small. Firm cables and small local receipts offset the bearish effects of perfect weather for the maturing of the new crop. The market closed steady. December opened unchanged, at 44%, sold between 44% a14% and 44%, and closed at 44%, Local receipts were 200 cars, with 67 of contract

The oats market was firm as a result of continued excellent demand from Europeans for American oats. Commission houses were fair buyers. December opened unchanged, at 28%, sold between 28¼ and 28½28%, and closed at 28½. Local receipts were 385 cars. The feature of trading in provisions was covering by shorts in the October products.
Under this demand the market held

steady the entire session. At the close January pork was unchanged, at 12.421/2. Lard was up 2½, at 6.87%. Ribs were up a shade, at 6.47%a6.50. Estimated recepits for tomorrow: Wheat, 81 cars; corn, 278 cars; oats, 456 cars; hogs, 34,000 head.

## Financial News Letter

Special Correspondence of The Star. NEW YORK, October 7, 1905. The great interests are unquestionably of one mind in a desire to hold the stock mar-

ket, or at least to prevent serious reaction The more conservative among the leaders of finance are fond of indulgence in words of caution, and it is no doubt true that they would interpose strong opposition to mob speculation at this time, but, all the same, they are almost unanimously of the opinion that the stock market will experience very decided improvement within the next six months. Their preachments against speculation now are based solely on the fact that there are other and more legitimate uses to which surplus funds can be employed and they do not want to see money get uncomfortably tight, knowing full well that such a condition would compel liquidation of stocks and cause a break in quotations. It is the business of banks to lend money and ordinarily they are anxous to obtain the highest possible rates, but there are occasions when it pays them best to put on the brakes and help ease down the general situation. At the present moment the rich men are carrying the stocks. For the most part they are borrowers from the public instead of lenders, hence the pre-vailing sentiment among the controlling elements of the financial world against ex-citement in the money market. Their energies are being exerted to keep the situation on an even keel during the remainder of the year. To meet the exigencies of the last quarter of the year there has been a large increase in national bank note circulation, and plans are laid for the importation of and plans are laid for the importation of immense quantities of gold. In addition to the two sources of supply mentioned, the gold mines of the United States will reinforce stocks of money this year to the extent of close to \$90,000,000, according to best estimates. Thus it will be seen that, while the country is fairly wallowing in prosperity, there will be capital sufficient to handle the business. Railroads for a time may be overtaxed in the transportation of the forward ends of mammoth crops, but beyond that there is not likely to be serious inconvenience or discomfort. As a general proposition it may be stated that there is more satisfaction in wrestling with a surplus than with a deficiency.

The unexpectedly favorable cotton report will be followed on next Tuesday by an official Washington estimate of the largest corn crop on record. Weather conditions have been everything that could be desired for the saving of the crops in most sections of the country, and the entire agricultural population is in full enjoyment of a banner year. The extreme prices of the last two or three years may not be realized by farmers and planters, yet there is every assur-ance of large profits on every tilled acre. There is money in 75-cent wheat, 40-cent corn, 30-cent oats and 10-cent cotton, with corresponding quotations for live stock. These figures are likely to be the minimum at which the great cash crops of 1965 will

construction and attractiveness of equip-ment the buildings of Washington financial institutions will compare favorably with those which are found even in the largest past, but they are entitled to an inning. They are in need of something to offset higher rents and increased cost of living. It is time the pendulum swung their way.

> The bear oracles have a sense of satisfaction in the thought that even though the market may go against them for the time being, their arguments are nevertheless sound. They have much to say about the known effects of weight in a long race, and say that while markets may be advanced by manipulative agencies they cannot be held forever in violation of natural laws. When they talk this way they mean the When they talk this way they mean the money market conditions, and urge that although prices may be held against the handicap of tight money for a few days or a few weeks, this unnatural state of affairs must be followed by reaction. They have been feeling for this reaction for several weeks and the experience has been eral weeks, and the experience has been costly in most instances. The sermonizing, however, goes on just the same, and away down in their hearts the bears feel that although "stung" in the region of their bank accounts they are right. To their notion it is the markets that are wrong.

On the other hand, the bull contingent is incompromising in its faith in higher prices. The bull leaders have no fear of reactions between now and the end of the year, and stand ready to add to their lines on every dip. The writer asked one of the big plungers a day or two ago if he thought the market would have its advance from about this level. The speculator hesitated a moment and then replied: "No, I think not. I think the market will begin its great upward swing from an average of 15 to 20 oints above the current range." a bull for you, and radical as the view, half jokingly expressed, it is no stronger than that entertained by very live operators whose money talks in the trading on the exchange.

Two very lively contests for control will e settled during the coming week - the Wabash railroad and Republic Iron and Steel Company. The court proceeding to enjoin the Goulds from voting Missouri and Iron Mountain holdings of Wabash securitles may postpone the conclusion of the fight between Gould and Ramsey, but there is no likelihood of delay in the finish of the row in the big industrial.

A director and high official in one of the great iron and steel companies assured the writer of this letter that the United States Steel Corporation had practically every-thing sold up to the middle of next year to the full limit of its capacity.

The people who have held the religious belief that the Standard Oil crowd is on top of the market and vigorously contesting any advance find hard work reconciling that theory with the immense purchases of gold abroad by Standard Oil banks, and

The menace to the speculative position of the cotton market seems to be the existence of two or three strong pools, each working in its own way for a rise. In such a situation the play is likely to be run at cross purposes, and there is ever a danger that one or more of the cliques will unload on the other. Each of these combinations now in the field believes itself to be strong an adroit manipulator as Theodore Price in opposition. Foreign exchange dealers say in this connection that Liverpool is not buy-ing cotton at these prices and that a ma-Jority of the great cotton merchants abroad seem determined to hold off in the confident expectation of lower quotations.

## THE INSIDE OF WALL STREET

BY EDWIN LEFEVRE.

The perplexities of professional Wall street have not diminished. The reason is that there has been no change in the stock market. Higher money rates have come as everybody expected. The bears thought that higher money would mean lower stock prices. They were wrong. And yet if the bears have been no more successful in the past fortnight than they have been in the past two months, the bulls cannot point to any sweeping or inspiring victory, though they can justly be content with the market's resistence to the other side's attack. But the future, for all that, does not appear to be any more clearly defined than it has been at any time these many weeks. So many people have been wrong so long that on all sides you hear the selfdefensive assertion that we are confronted by a state of affairs without precedent in the history of the New York Stock Exchange: Conditions are so prosperous throughout the country that there is nothing visible to the naked eye to sell stocks on. Stocks are so high that they are selling above a conservative investment level and far above the speculative level justifi-able by the amount of interest the stock exchange public is just now taking in the game of the ticker. If you can neither buy nor sell with comfort, the only thing to do is to do nothing, which is the most uncomfortable thing of all for an American

The situation has been studied and analyzed and diagnosed and prognosed and everything else by all sides from all points of view. The number of explanations why the market should decline, but doesn't, or why prices should advance, but don't, is begion. It is impossible to offer any new theories. Therefore we are having rehashes of what we heard months ago, which, by reason of Wall street's short memory, seem to have the charm of novelty. One of these arguments, the most persistent, hav-ing more lives than twenty cats, is that the "big men" have the stocks and must un-load. In order to unload they must devel-op a wide and active market, to lure the op a wide and active market, to lure the public on. Until stocks pass from strong hands into weak it is vain to look for a panic, no matter how many frenzied financial writers, at comfortable expense for philanthropic advertisements, predict it. The, only portion of the 'public' that holds any quantity of securities worth talking about the investors and investors won't sell and the property of the investors and investors won't sell are the investors and investors won't sell and the property of the propert are the investors, and investors won't sell if their business is good, because while their securities may be high enough to in-vite selling, so are other securities equally high. As long as basic conditions continue as they are, there will be no "investment selling," which is the most terrifying of all. And, equally, so long as general business is good the big men won't be forced to sacrifice their very large speculative holdings. A "rich man's panic," which is a decidedly unpleasant kind of panic, is thus far away. The question resolves itself into the inevitable: "Can the public be coaxed back to Wall street in sufficient numbers to permit of wholesale unloading?

It is a particularly exasperating question to consider because, very obviously, the answer depends almost as much on personal temperament as on powers of analysis or of observation, and moreover it is assumed that the public won't come back unless it is on an ascending market. It has never been known to flock to the street in search of bargains when prices were tumbling. Prices are already so high that to start a bull market from the present level means that by the time the public begins to buy that by the time the public begins to buy in carnest the quotations will be far above the danger point. Even this consideration, however, would not be regarded as an insuperable obstacle to a fairly good-sized boom if it were not for the effect which the recent life insurance disclosures and other revelations of high financial practices other revelations of high financial practices must have had on the public mind. There is no doubt that faith in financiers of hith-erto unassailed repute has been justly shaken. How widespread is the distrust of Wall street men and methods, of the lead-ers of the next bull market?

This is not a financial but a psychological question. A man who looks upon Lawson's story as gospel truth, and whose friends share equally in his belief, would tell you of all invitations to get rich quick. Another, whose friends always have, and always will trade, will answer that from time immemorial such suspicions have existed; that the comic papers for generations have cracked jokes at the delusions of fools who would woo fortune in Wall street; that anybody at all familiar with Wall street has long known that insiders have always used loaded dice and that graft is not confined to the financial district, nor to the great millionaires, and that notwithstanding all this there have been booms innumerable. Also, that just as the public knows the great life insurance companies to be perfectly sound and solvent, and that the infectly sound and solvent, and that the in-stitution of life insurance itself has not been on trial, so will the public scrutinize and believe in good stocks, even if at times banking cliques or managers of railroads have made more than a legitimate banker's commission or than the amount of official salary. Therefore, the public may damn this or that captain of industry—and continue to gamble as of yore. Such reasoning that there is no way to measure accurately the extent or intensity of the public's disgust nor the duration of the present unwillingness to venture into the brokers' of-

F. P. Robinson, an aeronaut, was seriously injured at the Bedford (Pa.) fair l'riday. He went up with the balloon to a considerable height, cut loose with a paraalong the pike near the fair grounds. The wires broke and he fell to the ground. His injuries are serious.

#### FINANCIAL.

### ALL LOCAL SECURITIES

Bought and sold for cash or on margin on same favorable terms as we offer for trading in New York stocks and

W. B. Hibbs & Co., 1419 F Street.

Members { New York Stock Exchange, Washington Stock Exchange, Chicago Board of Trade.

#### HALLE & STIEGLITZ. Bankers and Brokers,

30 Broad St., New York. Members New York Stock, Cotton, Coffee and

## Direct Private Wire.

Washington Office: 1329 F Street. Hunter Doll, Manager.

# 

In the purchase of Copper stocks why not buy a good Copper stock at the first op-portunity, and not after a big advance has taken place? The first offering of the Cheticamp Copper Company, Ltd., is worthy of consideration. Are you a Copper stock-

Can your company produce copper for 5% cents? Are you 630 miles from Bos-

The best Copper experts say \$30,000 spent underground will show \$60,000,000 gross ore re-serves. This stock has a bigger future than any other offering put upon the market. All that is asked is to read about it in the most conservative pro-

spectus. Price per share, 50 cents, par Capital, \$3,000,000 - \$1,000,000 Ore reserves in excess of purchase price.

## Cheticamp Copper Company, Ltd.,

Davidson Building, Washington, D. C. 

Lewis Johnson & Co.,

## BANKERS,

1319 F Street N. W.

Members Washington and New

York Exchanges.

Transact General Banking business Issue Letters Credit available throughout the

## ABankingSuggestion ET in the habit of depositing a certain amount of money in a savings account here at stated times — or

open an active per-sonal account and pay everything by check. It's better, Loans on Commercial Paper. Interest on Savings Acco MECHANTS &

Savings Bank, 707 G St.

## MONEY AT 41/2 and 5% Promptly loaned on real estate in the et of Columbia. LOWEST COMMISSIONS. Heiskell & McLeran.

# **\***

If you have a savings account here, please bring in your pass book, so that we can credit the interest. Home Savings Bank,

7th and Mass. Ave. Deposits more than a Million and a Quarter.

## DIVIDEND

was it is believed that in point of solidity of what better than they have in the recent indignant and also intelligently suspicious indignates a

FINANCIAL.

E. R. CHAPMAN & CO., Members New York Stock Exchange, 80 BROADWAY, NEW YORK. 1301 F St., Washington. Buy and sell for cash or on margin all stocks and bonds listed on the New York, Washington and other stock exchanges on favorable terms. G. BOWIE CHIPMAN, Mgr.

Member Washington Stock Exchange

HEN you consider putting money in Real Estate it's well to get the best advice and service possible.

> We wouldn't advise you to buy a piece of property unless we felt from our knowledge of values and prospects that it would thoroughly meet your demands.

## The F. H. Smith Co., Real Estate, Loans, Investments, Insurance, 1408 N. Y. ave., Bond Bldg.

oct-28d \* It will help your business materially if you take attractive offices in the JENIFER BLDG .- 7th and D sts. The most modern offices and the best location in town. Rents range from \$7 to \$26 per mo.
Light, heat, fanitor and elevator service included

Le Roy Mark, 1410 G St.

OU Can Doubtless
Spare a Dollar
or So or So -from your weekly or monthly

income. Opening an account with our SAVINGS DEPARTMENT will encourage the habit. And, remember, every dollar you de-posit here will EARN INTEREST \$1 Opens an Account.

THE TRADERS

NATIONAL BANK, 10th st. &

Don't let all your money get away from you. Make it a rule to deposit part of your earnings in a savings account with this bank.
Interest allowed on sav-

George H. Harries,
J. H. Ralston,
J. G. Kimball,
William B. King,
Wilton J. Lambert,
A. M. Lothrop,
Theo, W. Noyes,
M. M. Moffltt,
\$1 opens a savings account.

Union Savings Bank. Bond Bldg., 14th & N. Y. Ave.

## CAPITAL, \$1,000,000—SURPLUS, \$1,200,000. ETTERS OF CREDIT Issued.

-Drafts issued direct on principal cities of the world. Money transmitted by cable. Exchange bought and sold. -Investments & collections made.

-Stocks & Bonds bought & sold. Riggs National BANK

Pa. ave., opposite U. S. Treasury

AN ANNUITY ISSUED BY

business experience of sixty-two years.

The Mutual Life Insurance Company of New York, RICHARD A. McCURDY, President, Guarantees a fixed income for life, which income is protected by over four hundred and forty million

tells all about this class of investment THOMAS P. MORGAN,

Manager for District of Columbia, No. 1885 F st. n.w. Second-story front room. Telephone Main 1126 ap15-90t&se15.90t

# Aetna Banking & Trust Company,

1222 F St. N. W. Foreign Exchange. Self-Identifying Travelers'

Money Orders. Patented System for Banking by Mail. Interest on Savings and

Time Deposits, 4 percent.

## Safe Investments.

We offer gilt-edge real estate notes in denominations of \$500 up. secured by first deed of trust (mortgage) on Washington City real estate security.

No expense-interest collected without charge.

Moore & Hill (Inc.). se13-90t-28 717 14TH ST. N.W.

# Washington Loan & Trust Co..

OFFICE COR, 9TH AND F STS. PAID-UP CAPITAL. \$1,000.000. "SURPLUS. \$500,000 (EARNED)." Loans in any amount made on approved real estate or collateral at reasonable rates.

Interest paid upon deposits on monthly bal-ances subject to check. ances subject to check.

This company acts as executor, administrator, frustee, agent, treasurer, registrar and in all other fiduciary capacities.

Boxes for rent in burglar and fireproof vaults for safe deposit and storage of valuable packages,

Renl Islate Department is prepared to assume the management of your real estate.

Careful attention given to all details.

JOHN JOY EBSON.
JOHN A. SWOPE. Vice
ELLIS SPEAR. Second Vice
ANDREW PARKER. Assistant

6% Bond Certificates. \$50,000 offered at par. Interest psyable semi-sanually at American Security and Trust Co. Subscriptions received in amounts of \$100 and ap-ward, payable 10% cash, balance 90 days. For par-ticulars address